



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NORTHEAST REGIONAL OFFICE  
3 WORLD FINANCIAL CENTER  
NEW YORK, N.Y. 10281-1022

MEMO ENDORSED

November 9, 2007

By Fax (212-805-7949)

The Honorable P. Kevin Castel  
United States District Court  
Southern District of New York  
United States Courthouse  
500 Pearl Street  
New York, New York 10007

USDS SDNY  
DOCUMENT  
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Re: Securities and Exchange Commission v. Smart Online, Inc. et al., 07 Civ. 7960 (PK: )

Dear Judge Castel:

I write on behalf of plaintiff, the Securities and Exchange Commission, in the above-referenced matter. Your Honor previously scheduled a Rule 16 pretrial conference to take place on November 16, 2007 at 11:45 a.m. Since that time, the Court has stayed discovery in this action pursuant to a request by the United States Attorney's Office for the Southern District of New York (Order dated October 16, 2007). I subsequently called chambers to inquire as to whether the Rule 16 conference would proceed as scheduled, and was informed that it had been removed from the calendar. Our office has nevertheless received at least one inquiry from the defendants concerning the status of the hearing. Accordingly, we respectfully request that the Court issue an order confirming that the hearing has been adjourned.

If you have any questions, you may call me at (212) 336-0029.

Sincerely,

*Scott L. Black*

Scott L. Black  
Senior Trial Counsel

*I will  
proceed  
with  
the initial  
conference  
on  
November 16 at 11:45am  
SO*

*ORDERED*

*USDJ.  
11-9-07*